



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
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May 6, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**CHIEF INFORMATION OFFICE:
AMENDMENT NUMBER TWO TO THE SOFTWARE SERVICES
AGREEMENT NUMBER 75270 WITH COGNOS CORPORATION FOR
BUSINESS INTELLIGENCE SOFTWARE SERVICES
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

The Software Services Agreement Number 75270 (Agreement) with Cognos Corporation (Cognos) provides access to Cognos technical resources to support the development and implementation of Los Angeles County (County) business intelligence software (BIS) and other reporting applications. Proposed Amendment Number Two (Amendment) extends the Agreement for two years allowing County departments to continue acquiring the BIS implementation and consulting services in light of County's demand for such services.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Delegate authority to the Acting Chief Information Officer, or his designee, to execute Amendment Number Two to the Agreement with Cognos, substantially similar to the attached Amendment (Attachment I), which has been approved as to form by County Counsel, extending the term of the Agreement from May 10, 2008 to May 10, 2010.
2. Delegate authority to the Acting Chief Information Officer, or his designee, to execute an amendment to recognize and document the acquisition of Cognos by International Business Machines Corporation (IBM).

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Chief Information Office (CIO) is recommending approval of Amendment Number Two, to extend the term of the Agreement through May 10, 2010. Also, the CIO is requesting authorization to execute an amendment to recognize the recent acquisition of Cognos by IBM, which occurred on January 31, 2008.

The proposed Amendment to the Agreement will provide County departments with continued access to Cognos technical resources to support the development and implementation of County's BIS and other reporting applications. The services under the Agreement include software installation, consulting services, employee training, design assistance, and expertise in the use of Cognos BIS technology.

The Agreement engagements have supported the development of Department of Public Social Services' (DPSS) data warehouse, Internal Services Department's (ISD) Local Small Business Enterprise data mart, and enabled the establishment of an ISD Countywide Business Intelligence (BI) Center of Excellence. ISD's Countywide BI Unit has designed, developed and continues to support multiple department BI applications.

The Agreement engagements are executed through a Work Order (WO) process. Since the Agreement was established, 52 WOs were issued for a total value of \$5,979,454, of which your Board approved eight (8) WOs totaling \$3,469,586. The CIO has sent semi-annual status reports to your Board identifying all executed WOs.

Implementation of Strategic Plan Goals

The recommended action supports the County's Strategic Plan Goal # 3: Organizational Effectiveness by offering the flexibility necessary to meet varied departmental needs while providing a structure for acquiring desired services through a streamlined acquisition process that is standard across the entire enterprise.

FISCAL IMPACT/FINANCING

By approving this recommended Amendment Number Two, County departments will continue acquiring services under WOs relating to the BIS, which govern the terms and conditions set forth in the Agreement. Funding will continue to be obtained from departmental budgets. The administrative provisions of the Agreement require confirmation that department funding is available before each individual WO is executed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On May 10, 2005, your Board approved the Agreement for a term of three (3) years with two (2) two-year options for a maximum contract sum of \$4,000,000. On January 30, 2007, your Board approved Amendment Number One to increase the maximum contract sum from \$4,000,000 to \$8,000,000. Approval of this Amendment, which extends the term of the Agreement from May 10, 2008 to May 10, 2010, will enable departments to continue to receive these services on an as needed basis.

The CIO has delegated authority to execute WOs having a maximum sum of \$300,000 or less. All requested WOs over \$300,000 are sent to the Board for approval by the respective County department.

The proposed Amendment Number Two has been approved as to form by County Counsel. All terms and conditions, including information technology provisions, included in the existing Agreement will continue to apply to the Agreement following execution of the proposed Amendment Number Two.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of Amendment Number Two will provide County departments with continued access to Cognos' professional and consulting services relating to the BIS. There will be no impact upon, or interruption of, the current services being provided by Cognos.

CONCLUSION

Upon approval by your Board, it is requested that the Executive Officer of the Board return one (1) adopted stamped copy of the Board letter and three (3) executed copies of the Amendment to the CIO for further processing.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF: ES
GS:JY:cg

Honorable Board of Supervisors
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Attachment

c: County Counsel
Chief Information Office

K:\BOARD LETTERS - Depts (WORD)\CIO\5-6-08 Amendment2 with Cognos #75270.doc

AMENDMENT NUMBER TWO
To
SOFTWARE SERVICES AGREEMENT NUMBER 75270
BY AND BETWEEN
THE COUNTY OF LOS ANGELES
AND
COGNOS CORPORATION
FOR
BUSINESS INTELLIGENCE SOFTWARE SERVICES

This Amendment Number Two is entered into this _____ day of _____, 2008 by and between the County of Los Angeles (hereinafter "County") and Cognos Corporation, a Delaware corporation (hereinafter "Contractor").

WHEREAS, on May 10, 2005, County and Contractor entered into a Software Services Agreement Number 75270 (hereinafter, as amended, including without limitation, by this Amendment Number Two, "Agreement") for the provision of Business Intelligence Software (hereinafter "BIS") Services as a result of Contractor having submitted the highest ranked proposal in response to County's Request for Proposals (hereinafter "RFP") for the BIS solution; and

WHEREAS, on January 30, 2007 County and Contractor executed Amendment Number One to the Agreement to increase the maximum cumulative amount allocated for work orders executed under the Agreement (hereinafter "Contract Sum") from \$4,000,000 to \$8,000,000; and

WHEREAS, on or about January 31, 2008, Contractor has been acquired by International Business Machines Corporation (hereinafter "IBM"); and

WHEREAS, the Initial Term of the Agreement expires on May 9, 2008; and

WHEREAS, County has requested, and Contractor has agreed, to extend the term of the Agreement beyond the Initial Term for additional two (2) years without increasing the Contract Sum in order to allow County departments to continue acquiring BIS implementation and consulting services in light of County's continued demand therefor; and

WHEREAS, pursuant to Paragraph 10.2.4 of the body of the Agreement, any change requested by County, which extends the Agreement beyond the Initial Term, a negotiated written Amendment to the Agreement shall be prepared and executed by each of County's authorized representative and Contractor's authorized representative; and

NOW THEREFORE, in consideration of the foregoing and pursuant to Paragraph 10 (Change Notices and Amendments) of the Agreement, County and Contractor hereby agree to amend the Agreement as follows:

1. The Agreement is hereby incorporated by reference, and all of its terms and conditions, including capitalized terms defined therein, shall be given full force and effect as if fully set forth herein.

2. County and Contractor, upon mutual agreement, exercise the right granted to them under Paragraph 11 (Term) of the body of the Agreement to extend the Agreement term for two (2) years (hereinafter "Extended Term") beyond the Initial Term.
3. Express authority is granted to the Chief Information Officer to amend the Agreement for the purpose of recognizing and documenting the acquisition by IBM of Contractor, including name change, by deleting Paragraph 10.2.4 under Paragraph 10 (Change Notices and Amendments) of the body of the Agreement and replacing it with revised Paragraph 10.2.4 amended to read as follows:

10.2.4 Except as otherwise provided in this Agreement, for any change requested by County which affects the scope of work, term, payments, Contract Sum or any term or condition included in this Agreement, a negotiated written Amendment to this Agreement shall be prepared and executed by each of County's authorized representative and Contractor's authorized representative. Notwithstanding the foregoing, the Chief Information Officer is expressly authorized to execute on behalf of County any Amendment necessary to recognize and document a merger, consolidation or acquisition of all or substantially all of the assets or capital stock of Contractor resulting in the assignment of Contractor's rights under this Agreement to another entity pursuant to the last sentence of Paragraph 22 (Prohibition against Assignment and Delegation) of the body of the Agreement.

4. Except as provided in this Amendment Number Two, all other terms and conditions of the Agreement remain unchanged and in full force in effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment Number Two to be subscribed by its Chair and the seal of such Board to be affixed and attested by the Executive Officer thereof, and Contractor has caused this Amendment Number Two to be subscribed in its behalf by its duly authorized officer as of the day, month and year first above written.

COUNTY:
COUNTY OF LOS ANGELES

By _____

CONTRACTOR:
COGNOS CORPORATION

By _____
Signature

Print Name

Title

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
COUNTY COUNSEL

By _____
VICTORIA MANSOURIAN
DEPUTY COUNTY COUNSEL